

Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENTI 02131 261112Z

53

ACTION EA-10

INFO OCT-01 ISO-00 AID-05 IGA-01 EUR-12 CIAE-00 DODE-00

PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01

SP-02 SS-15 USIA-06 COME-00 EB-07 FRB-03 TRSE-00

XMB-02 OPIC-03 CIEP-01 OMB-01 /090 W

----- 108027

P R 261040Z MAR 75

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC PRIORITY 3075

INFO AMEMBASSY BANGKOK

LIMITED OFFICIAL USE VIENTIANE 2131

E.O. 11652: N/A

TAGS: ECON, LA

SUBJECT: WEEKLY ECONOMIC SITUATION REPORT (MAR 19-25)

1. TOTAL FOREIGN EXCHANGE SOLD THROUGH BANKS DURING WEEK
ENDING MAR 14 WAS \$706,000, UP SIGNIFICANTLY FROM PREVIOUS
WEEKLY AVERAGE OF \$474,000. OF FX SOLD, 49 PERCENT WAS
FOR PETROLEUM PRODUCTS.

2. THE FREE MARKET RATE ROSE MODERATELY DURING PAST
WEEK. ON MAR 26 MERCHANTS AND OTHER FX DEALERS WERE
BUYING DOLLARS FOR APPROXIMATELY 1,430 KIP PER DOLLAR AND
SELLING FOR 1,440 KIP, UP FROM 1,390 KIP BUYING AND 1,400
KIP SELLING ON MAR 19.

3. USAID COST-OF-LIVING INDEX DECLINED SLIGHTLY DURING
PAST WEEK, REFLECTING PRIMARILY PRICE DECREASES IN FISH
AND CERTAIN FRUITS AND VEGETABLES, OFFSET TO SOME DEGREE
BY INCREASE IN PRICE OF CANNED MILK. USAID INDEX ON MAR 24
SHOWED FOLLOWING CHANGES:

PERCENTAGE CHANGE SINCE

MAR 17 END CY 74

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENTI 02131 261112Z

GENERAL INDEX (-0.6) 6.0

RICE INDEX -0- 11.3
NON-RICE INDEX (-0.7) 4.8

4. A PGNU ECONOMIC AID-SEEKING MISSING HEADED BY MINISTER OF ECONOMY AND PLAN SOTH PHETRASY DEPARTED VIENTIANE ON MAR 22 TO SEEK ASSISTANCE FROM GOVERNMENTS OF POLAND AND MONGOLIA, AND POSSIBLY NUMBER OF OTHER COUNTRIES. CZECHOSLOVAKIA, ALBANIA, EAST GERMANY, YUGOSLAVIA AND USSR HAVE BEEN MENTIONED THOUGH SCHEDULE APPEARS FLEXIBLE.

5. THE PGNU TECHNICAL DELEGATION TO JAKARTA (VTE 1937) RETURNED TO LAOS ON MAR 22 FOLLOWING DISCUSSIONS WITH INDONESIAN GOVERNMENT OFFICIALS. NO DETAILS ON DISCUSSIONS AS YET AVAILABLE.

6. A NETHERLANDS GOVERNMENT AID OFFICIAL, CHIEF OF BUREAU FOR TECHNICAL ASSISTANCE PROJECTS IN ASIA, VISITED VIENTIANE MAR 19-25 AND IN MEETINGS WITH MISSION PROVIDED FOLLOWING DETAILS OF US \$3.1 MILLION OF NEW ASSISTANCE COMMITTED FOR LAOS (VTE 8721, 11/27/74):

A. \$1.1 MILLION WILL BE CHANNELED THROUGH MEKONG COMMITTEE (MCC). THIS ASSISTANCE HAS BEEN COMMITTED IN PRINCIPLE FOR A PROJECT TO RESETTLE NAM NGUM RESERVOIR EVACUEES. MISSION UNDERSTANDS FROM LAO NATIONAL MEKONG COMMITTEE THAT MCC SIGNED PLAN OF OPERATION AT RECENT MCC SPECIAL SESSION IN NEW DELHI.

B. \$2.0 MILLION WILL BE DIRECT BILATERAL ASSISTANCE TO PGNU FOR POST-WAR RECONSTRUCTION PROJECTS. NETHERLANDS OFFICIAL STATED THIS ASSISTANCE IS TO BE QUOTE BALANCED UNQUOTE BETWEEN THE TWO ZONES. FORMAL AGREEMENT BETWEEN PGNU AND NETHERLANDS PRESENTLY BEING NEGOTIATED.

7. PGNU SPOKESMAN OUDAY SOUVANNAVONG ANNOUNCED A MAR 19 CABINET DECISION TO AUTHORIZE THE EXPORTATION OF LUMBER FOR THOSE EXPORTERS WITH A LICENSE AND WHO HAVE ALREADY PAID THE EXPORT TAXES (SEE VTE 1975). HOWEVER, PENDING AGREEMENT ON A NEW RATE AT WHICH EXPORT EARNINGS WOULD BE REPATRIATED IT IS NOT EXPECTED THAT THE DECISION WILL BE EFFECTIVE (VTE 2055).

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VIENTI 02131 261112Z

8. LOCAL PRESS REPORTS THAT A 9 MEMBER JAPANESE COMMERCIAL DELEGATION IS SPENDING APPROXIMATELY TWO WEEKS IN LAOS TO STUDY TRADE AND INVESTMENT POSSIBILITIES. BESIDES VIENTIANE, TEAM REPORTEDLY HAS VISITED CHAMPASSAK, PAKSE, SAVANNAKHET AND HOUET SAI. DELEGATION SCHEDULED TO DEPART LAOS MAR 26.

9. DECONTROL FOLLOWING 3/26/76.

WHITEHOUSE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DATA, ECONOMIC REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975VIENTI02131
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750105-0453
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750311/aaaaakgr.tel
Line Count: 117
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2003 by BoyleJA>; APPROVED <15 JUL 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WEEKLY ECONOMIC SITUATION REPORT (MAR 19-25)
TAGS: ECON, LA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006